



1998: The Year In Review

The National Endowment for the Arts, an investment in America's living cultural heritage, was established by Congress in 1965 as an independent federal agency. Its mission is to serve the public good by nurturing human creativity, supporting community spirit, and fostering appreciation of the excellence and diversity of our nation's artistic accomplishments.

A Landmark Year

Fiscal Year 1998 was a landmark year for the National Endowment for the Arts. Bill Ivey, nominated by President William Clinton as the Endowment's seventh Chairman, was unanimously confirmed by the U.S. Senate on May 21 and sworn into office on May 28, 1998. Ivey succeeded Jane Alexander in leading the agency and articulating the national need for government support of the arts.

Under Chairman Ivey's leadership, in 1998 the NEA began a process of goal setting, planning, and re-affirming the agency's vision and mission. This process resulted in a new strategic plan for the years 1999-2004. As required for all federal agencies by the Government Performance and Results Act, the plan includes specific program goals with measurable outcomes. The goal-setting and planning process will be further described in the annual report for Fiscal Year 1999, when the new strategic plan was released to the public.

Total appropriated funds for Fiscal Year 1998 were \$98 million, down from the 1997 level of \$99,494,000. With the agency's appropriations came several other Congressionally-mandated changes: a 15 percent cap on the total amount of NEA grant funds awarded to arts organizations in any one state, excluding projects of national significance or multi-state impact; an extension of the agency's outreach by giving priority to projects that reach underserved populations; and an increase in the level of grant funds reserved for the state arts agencies, from 35 to 40 percent.

In Fiscal Year 1998 the Endowment awarded over 1,300 grants totaling \$82 million in the areas of Grants to Organizations, Grants to Individuals, Leadership Initiatives, and Partnership Agreements. Major program initiatives included ArtsREACH, which funds the development and implementation of local cultural plans through community partnerships of arts and non-arts organizations. Through ArtsREACH, communities in 20 states traditionally underrepresented in the agency's total pool of grant recipients will strengthen their cultural organizations, develop or preserve their artistic resources, or apply arts-based solutions to community issues or problems. A new Folk & Traditional Arts Infrastructure Initiative addressed the needs of folk arts practitioners by providing funds for field research, professional staff support, and broad dissemination of folk art forms

Jazz Education, Inc. of Houston, Texas gave performances and workshops at the 1998 Houston International Jazz Festival. Sixteen-year-old saxophonist Samir Zarif performs here with the Summer Jazz Workshop. Photo courtesy of Jazz Education.





Bill Ivey was sworn in by Vice President Al Gore as the Endowment's seventh Chairman in a White House ceremony. Photo by Neshan H. Naltchayan.

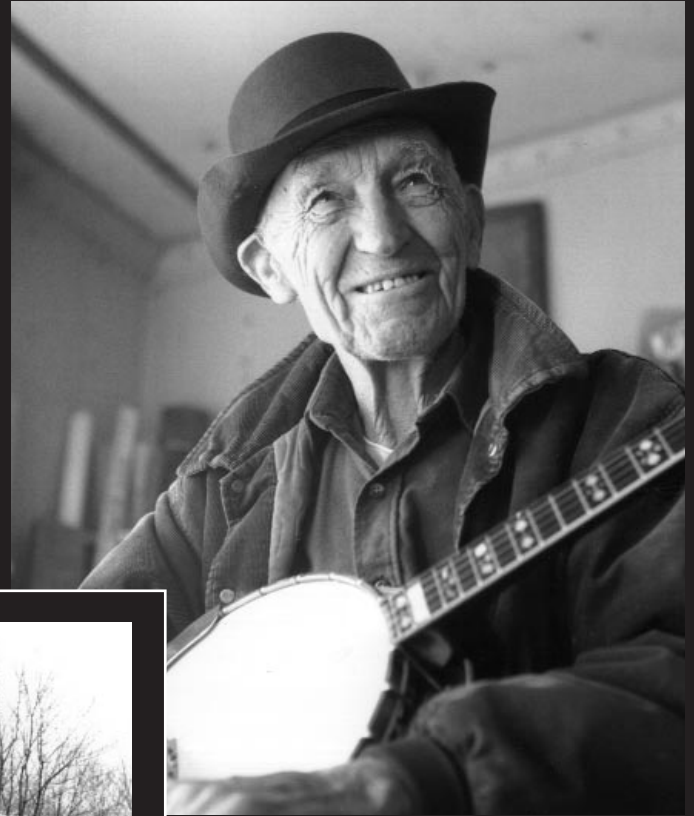
through instruction, performances and exhibitions nationwide. The Endowment also continued its leadership role in the Arts Education Partnership, which it founded in 1995 with the U.S. Department of Education. The Partnership is managed by the Council of Chief State School Officers and the National Assembly of State Arts Agencies, and now includes over 100 national organizations committed to promoting arts education in elementary and secondary schools throughout the country.

For the first time in the agency's history, six Congressional members served in a non-voting, *ex officio* capacity on the National Council on the Arts, whose size was reduced by Congress from 26 to 20. As of the end of Fiscal Year 1998, Council membership is comprised of 14 private citizens appointed by the President, four Congressional members appointed by the Speaker and Majority Leader of the House and Senate, and two Congressional members appointed by the Minority Leaders of the House and Senate. The Council advises the Chairman on policies and programs; screens nominations that the Endowment solicits from the public for the National Medal of Arts; and provides a second level of grant proposal review. Panels of experts, including arts professionals and knowledgeable laypersons, provide the initial review of all grant applications.

This Annual Report

The organization of this report reflects the Endowment's grantmaking structure which began in Fiscal Year 1997 and remained in effect during Fiscal Year 1998. The narratives and illustrations present highlights of the agency's activities that took place between October 1, 1997 and September 30, 1998. A summary of the year's financial transactions and a history of NEA appropriations are included at the end. Grant applications, publications, research reports, the NEA's strategic plan, and complete lists of 1998 grants, cooperative agreements and interagency transfers are available on the Endowment's Web site at <http://arts.endow.gov>. These items may also be obtained by e-mail or written request to the NEA Office of Communications, or by calling the National Endowment for the Arts at 202-682-5400.





The apprenticeship program at Augusta Heritage Center at Davis & Elkins College in Elkins, West Virginia pairs expert folk and traditional artists with the next generation of practitioners. Pictured are three master artists who participated (clockwise from top): cooper Tyson Propst, banjomaker Andy Boorman and fiddlemaker Dayton Howes. Photos by Gerry Milnes.